

**From:** walterYep@aol.com

**Sent:** Monday, December 12, 2005 6:41 PM

**Subject:** Port of Stockton Projects for the Governor's Short List

Gwen, attached are the latest information on the Port of Stockton's recommendations for the Goods Movement Action Plan. Please thank Mr. Sedlik and also yourself for all your interest and help. If you have any questions, just call on my cell phone number. We will probably see you on Dec. 15 and 16, the last set of meetings. Happy Holidays.

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**RECOMMENDED INFRASTRUCTURE PROJECT  
FOR THE GOVERNOR'S SHORT LIST  
GOODS MOVEMENT ACTION PLAN  
(CENTRAL VALLEY CORRIDOR)**

**Project Name and Location:** The John F. Baldwin Ship Channel to Stockton Deepening Project is located in the San Joaquin Delta with a terminus at the City of Stockton. The project covers the last 75 miles of the San Joaquin River as it flows into San Francisco Bay.

The existing ship channel is a Federally authorized, constructed, and maintained channel with a depth of 35 feet. Additional deepening to 40 feet or more is necessary to accommodate the growth of maritime commerce and vessel fleet improvements. The project is in the post Congressional authorization stage and is funded by the U.S. Army Corps of Engineers construction general budget. The project has been funded for several years on a 75% Federal and 25% non-Federal cost share basis. The Federal cost share of 75% is expected to continue until construction is completed. A general reevaluation report is being prepared for modifications to the existing ship channel. Current studies show the project has a robust benefits-to-cost ratio and minimal impacts (less than 5% if any) on salinity intrusion. The estimated project schedule and costs are construction in year 2010 and a total project cost of \$99 million. The amount of \$24.75 million in State funding is needed.

**Primary Impacts:** Increase the capacity of the ship channel for goods movement and provide increased capacity for Delta flood control, protect the State's water supply and water quality, and create new environmental habitats.

**Statewide Significance of Project Benefits:** In addition to the public benefits of improved goods movement, the critical location of this navigation infrastructure project would significantly benefit flood control, water supply, water quality, and ecosystem restoration in the Delta. The current ship channel provides the largest flood carry capacity channel for the San Joaquin Delta. It acts like the Yolo Bypass, which evacuates floodwaters in the Northern part of the Delta. Without the Stockton ship channel geometry, the flood protection for islands in the San Joaquin Delta would be much less. Protection of the current configuration of Delta islands is essential to the State's water supply; 2/3 of the State's drinking water passes through the Delta. The dredge material from this project, estimated to be greater than 13 million cubic yards, could be used to strengthen critical Delta levees and create new environmental habitat areas. Only a small percentage of existing Delta levees provide the minimal 100 year level of protection. The dredge material could also be used to restore flooded levees such as Frank's Tract and Big break to protect

against salinity intrusion. Modeling has shown that restoration of these levees would yield significant water quality benefits.

**Project Sponsors:** The non-Federal sponsors of this project are Contra Costa County and the Port of Stockton. They are providing the required non-Federal funds. Federal funds are being provided by the U.S. Army Corps of Engineers civil works program in their construction general budget. Points of contact are: Mr. Jeff Kaspar, Deputy Director, Port of Stockton, Telephone 209-946-0246 and Ms. Roberta Goulart, Executive Officer, Contra Costa County, Telephone 925-335-1226.

**Congressional Interests:** Representatives Richard W. Pombo (R-11-CA), Dennis Cardoza (D-18-CA), George Miller (D-7-CA), Ellen Tauscher (D-10-CA) and Senators Dianne Feinstein and Barbara Boxer.

**Recommendation:** Include the John F. Baldwin Ship Channel to Stockton Deepening Project with \$24.75 million in funding among the Governor's short list of Goods Movement Infrastructure Projects, Central Valley Corridor. This project may also be recommended for the Governor's Partnership for the San Joaquin Valley, Executive Order S-5-05.

December 2005

**Recommended Infrastructure Project  
For the Governor's Short List  
Goods Movement Action Plan  
(Central Valley Corridor)**

**Project Name and Location:** The project name is the Port of Stockton Basic Infrastructure Project. The location is Rough and Ready Island in the Port of Stockton, San Joaquin County.

The Port, established by the State Legislature, needs to develop basic infrastructure for incoming new facilities which will benefit the region and the State. The basic infrastructure includes new utilities, electrical, water supply, sewers, interior road improvements, and dockside improvements for major new facilities on Rough and Ready Island. Dockside dredging may be necessary and no Federal assistance is available. One immediate new facility is a major gypsum manufacturing facility. New infrastructure will be needed to serve this and other new facilities. The Port has sufficient capacity (land and buildings) for the new facilities but lack the basic infrastructure. The estimated amount needed by the Port for basic infrastructure improvements to support these new facilities in the Goods Movement Action Plan is \$23 million.

United States Gypsum (USG) plans expenditures of over \$250 million, of which \$50 million alone is for annual operating expenses. The remaining \$200 million will be spent for the construction of the facility and purchase of equipment. The USG facility is expected to directly employ 150 workers.

**Primary Impacts:** Based on a draft report, *The Economic Impact of Gypsum Manufacturing Facility, 2005*, prepared by the University of the Pacific on the USG project, the direct impact of construction and equipment expenditures for the San Joaquin County economy is shown to be \$128.8 million. This direct impact will trigger additional economic activities, generating another \$76.8 million of indirect and induced output impact, yielding a total output impact of \$200.7 million. As a result of the direct spending on construction and equipment purchases in the local economy, 1,319 jobs will be created by the USG project. As these activities trigger subsequent economic activities, 814 more jobs will be generated, yielding a total employment impact of 2,134 jobs in the San Joaquin County economy.

**Statewide Significance of Project Benefits:** The University of Pacific draft report also shows the total output and employment impacts that go to the whole State of California from the USG project to be \$369.6 million output and 3,043 jobs. They are 1.8 times and 1.4 times larger than total output and employment impact on the San Joaquin County economy, respectively. The numbers imply a significant spillover of the economic impact to counties outside of San Joaquin. Consequently,

the magnitude of tax revenues measured on the total impact that goes to the whole State of California is larger, a total of \$54.3 million, over \$25 million more than that based on the impact occurring in San Joaquin County alone.

**Project Sponsor:** The Port of Stockton is the sponsor of the United States Gypsum project. Point of contact is: Mr. Jeff Kaspar, Deputy Director, Port of Stockton, and Telephone: 209-946-0246.

**Congressional Interests:** Representative Richard W. Pombo, (R-11-CA), Dennis Cardoza, (D-18-CA), Senator Dianne Feinstein, and Senator Barbara Boxer.

**Recommendation:** Include the Port of Stockton Basic Infrastructure Project with \$23 million in funding in the Governor's short list of Goods Movement Projects, Central Valley Corridor. This project may also be recommended for the Governor's Partnership for the San Joaquin Valley, Executive Order S-5-05.

December 2005

**Recommended Infrastructure Project for  
The Governor's Short List  
Goods Movement Action Plan  
(Central Valley Corridor)**

**Project name and location: Port of Stockton Land Based Access Projects**

**Background:** The California Port System in Northern California includes the facilities at the Port of Stockton and the Stockton Deepwater Channel. As goods movement evolves it is necessary for the coastal ports to continue to grow into a goods movement system that will allow economic growth and expansion of international trade. Presently the Port of Stockton is working to complement the operations of the Port of Oakland while serving the growing needs of the Central Valley. The ability to service the increases in cargo movements is severely limited by land access, especially direct access from the Federal Ship Channel to the Interstate and California highway systems. The Port is presently served by access roads that in addition to being physically limited traverse an economically disadvantaged residential neighborhood. The Boggs Tract community is unhappy with the present situation, which causes port and other heavy truck traffic to travel across the local streets, near schools and houses of worship. The impacts of noise and air pollution and the safety of the citizens, especially the children have been articulated by community leaders. Because the streets are narrow and geometrically constrained heavy trucks have difficulty in negotiating the sharp turns required to gain access to the port. This, coupled with difficult access and congestion on the highway system, is inhibiting the Port of Stockton's ability to properly service the needs of Central Valley Shippers. Presently the Port, in cooperation with others, is seeking to solve these problems.

**Extension of the Crosstown Freeway in Stockton from the present terminus at Fresno Avenue to State Highway 4.**

This project is the result of a study that was commissioned by Caltrans and also funded by the Port to study the feasibility of extending the freeway section of Route 4 from its present terminal at Fresno Avenue.

After considering alternatives, including improving and using local surface roads, the study concludes that the Crosstown Freeway extension is not only feasible, but also necessary. They recommend proceeding with three phases

- *Phase One:* - Immediate improvements to the surface roads from the Fresno Avenue exit to and on Navy Drive. –
- *Phase Two:* - Extension of the freeway to a point on Navy Drive, the reports shows two feasible alignments

- *Phase Three:* - A further extension of the SR 4 Freeway to west of the San Joaquin River with two suggested alignments. The report also suggests tying the interchange with Daggett Road.

The first phase involves intersection improvements and other operational, safety improvements to city owned streets. These improvements would be designed to tie in with the freeway improvements and should cost under \$1 million and take about 1 year to complete.

The next step is to implement a Project Study Report (PSR). Depending on the source of funding this document should take about 2 years, the engineering, ROW acquisition and planning could be accomplished in another two years and, depending on the scope of work construction, should take two to three years to complete. This project is estimated to cost about \$175 million

**Primary impacts:** Increase the ability of trucks to safely access the Port of Stockton, and increase the ability of the Port to serve as a gateway for international goods movement. This will allow the Port to grow and create up to 10,000 family wage jobs. The project will also help relieve congestion and mitigate safety issues on the local Freeway System and local surface streets. It will also mitigate congestion on local surface roads.

**Statewide Significance of Project Benefits:** The improved goods movements of goods to the Central Valley Port of Stockton will serve to mitigate heavy truck on the state highway system by providing a terminal 75 miles east of Oakland and San Francisco. Effective development of the Port of Stockton facilities will eliminate a significant number of round trips from and to the Central Valley. This will help reduce congestion of the 205, 580, 236 and 880 freeways. It will help enhance the economics of the area by becoming a permanent job center, improving air quality, and improving the quality of life for the disadvantaged community of Boggs Tract adjacent to the port.

The improved access will also serve to enhance other projects that Caltrans has identified to enable better goods movement; The California Interregional Rail Inland System (CIRIS) a project that can be implemented within a year that would deliver ocean containers from Oakland to the Port of Stockton and eventually to other Central Valley Terminals.

#### **Other infrastructure projects that the Port needs to implement include:**

##### **Rail:**

- ***Railroad infrastructure:*** \$6.5 million for new and replacement track and switching equipment to expedite the movement of freight at the Port. This project could be completed within 18-24 months and would facilitate the Port of Stockton's ability to serve as an inland port terminal that would ship ocean containers from the Central Valley to and from the Port of Oakland. This concept is widely supported by Caltrans through their Office of Goods Movement, the Port of Stockton, the Port of Oakland and industry.

- **Grade crossing improvements and separations:** \$25 million needed for two grade separations and 4 grade crossings at several key points at the Port. These projects could significantly reduce delays and improve safety and could be completed with a year of funding.

#### **Surface Roads:**

- **Rough and Ready Island Arterials.** \$8 million for significant upgrades to the road system that was built by the Navy 60 years ago. The roads are geometrically constrained as well as being structurally deficient. To accommodate the mixed heavy truck and passenger cars several main arterials are needed.

In addition to improving safety this project would support the local, regional and international goods movement as well as serve as part of the infrastructure to support as many as 10,000 family wage jobs

#### **Utilities:**

- **Rough and Ready Island Utility Corridor:** \$10 million to replace old and functionally obsolete utility services. In order to provide future growth to support new facilities that will provide the economy with permanent employment centers, a utility corridor needs to be built. This would include the water and sewer main service. In order to accomplish this the water and sewer lines must be placed under the San Joaquin River.

**Sponsoring Agencies:** Caltrans is the sponsoring agency for the Crosstown Freeway Extension and the CIRIS project. Both projects have widespread support including the Port of Stockton, the Port of Oakland, the San Joaquin Council of Governments and the cities of Stockton and Oakland. Contact **Port of Stockton;** Henry McKay, Special Projects Manager, 2201 West Washington Street – P.O. Box 2089, Stockton, CA 95201. PHONE: (209) 946-0246, FAX: (209) 463-2362, EMAIL: [hmckay@stocktonport.com](mailto:hmckay@stocktonport.com).

**Caltrans;** Mr. Tom Messer, Chief Freight Planning Branch, California Department of Transportation, Division of Transportation Planning 1120 N. Street (95814), P.O. Box 952874, Sacramento, CA 94274-001. PHONE: (916) 6534590 CALNET: 453-4590, FAX (916) 653-4570, EMAIL: [tom.messer@dot.ca.gov](mailto:tom.messer@dot.ca.gov).

The rail improvements, surface roads and utilities are Port of Stockton local agency projects that also enjoy widespread support between elected officials and various advocacy groups

**Congressional Interests:** Representatives Richard W. Pombo (R-11-CA), Dennis Cardoza (D-18-CA), George Miller (D-7-CA), Ellen Tauscher (D-10-CA) and Senators Dianne Feinstein and Barbara Boxer.

**Recommendation:** Include the Port of Stockton land based access and infrastructure projects in the Governor's short list of Goods Movement Infrastructure Projects, Central Valley Corridor. Also these projects should be recommended for the Governor's Partnership for the San Joaquin Valley (Executive Order S-5-05).